

SHEARSON EQUIPMENT INVESTORS

Suite 1401
521 Fifth Avenue
New York, New York 10175
(212) 557-2525



RECORDATION NO. 13643 Filed 1425

MAY 21 1982-9 05 AM

INTERSTATE COMMERCE COMMISSION

2-141A018

General Partner

James A. Garthaus, President
Albert E. North, II, Vice President
James F. Keating, Vice President

13643

RECORDATION NO. Filed 1425

No.

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Date Fee \$ 110.00 INTERSTATE COMMERCE COMMISSION

ICC Washington, D. C.

13643

RECORDATION NO. Filed 1425

MAY 21 1982-9 05 AM

INTERSTATE COMMERCE COMMISSION

Secretary
Interstate Commerce Commission
Washington, D. C. 20423

Dear Secretary:

We have enclosed an original and three executed (in the case of item 2, two executed and one photocopy) counterparts of the documents described below, to be recorded pursuant to section 11303 of title 49 of the U.S. Code.

These documents respectively are, within the classification scheme promulgated as 49 C.F.R. § 1116.1, as follows:

- (1) a lease (consisting of (a) separately-executed counterparts of a "Lease Agreement" and a "Rider" thereto, each dated as of December 17, 1981, and a "Schedule" thereto dated December 31, 1981, and (b) a jointly-executed "Lease Amendment" relating thereto, dated as of January 15, 1982) -- a primary document,
- (2) an assignment of said lease to be filed concurrently therewith (being an "Assignment of Lease and Agreement" dated as of December 31, 1981), -- a secondary document to be treated as one along with the foregoing primary document for fee purposes, and
- (3) a mortgage (being a "Security Agreement (Railroad Cars)" dated as of December 31, 1981) -- a primary document.

We request that the assignment identified as item (2) be cross-indexed.

(4) "Lease Amendment" dated January 15, 1982

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INTERSTATE COMMERCE COMMISSION

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Quar...
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The names and addresses of the parties to the documents are as follows:

(1) LEASE

Lessor:

Shearson Equipment Investors
c/o Shearson Equipment Management Corporation
Suite 1401
521 Fifth Avenue
New York, New York 10175

Lessee:

North American Car Corporation
33 W. Monroe
Chicago, Illinois 60603

(2) ASSIGNMENT OF LEASE

Assignor:

Shearson Equipment Investors
c/o Shearson Equipment Management Corporation
Suite 1401
521 Fifth Avenue
New York, New York 10175

Assignee:

Continental Illinois National Bank and Trust Company
of Chicago
231 South LaSalle Street
Chicago, Illinois 60693

(3) MORTGAGE ["Security Agreement"]

Mortgagor:

Shearson Equipment Investors
c/o Shearson Equipment Management Corporation
Suite 1401
521 Fifth Avenue
New York, New York 10175

Mortgagee:

Continental Illinois National Bank and Trust Company
of Chicago
231 South LaSalle Street
Chicago, Illinois 60693

A description of the equipment covered by each said document follows:

Sixty-three (63) 4,750 cu. ft. covered hopper cars, with 100-ton trucks, of AAR Mechanical Designation "LO", bearing the following numbers:

487079-487108 (incl.)
487841
487844-487858 (incl.)
487967-487970 (incl.)
487972-487983 (incl.)
488031

The cars' present running numbers are the same as the aforesaid numbers, prefixed by the designation "NAHX" to identify North American Car Corporation as the lessee thereof, i.e.:

NAHX 487079-487108 (incl.)
NAHX 487841
NAHX 487844-487858 (incl.)
NAHX 487967-487970 (incl.)
NAHX 487972-487983 (incl.)
NAHX 488031

A fee of \$100.00 is enclosed. Please return the original of each document and any extra copies not needed by the Commission for recordation to the legal assistant presenting this letter and its enclosures for filing.

A short summary of each respective document to appear in the index follows:

(1) Lease between SHEARSON EQUIPMENT INVESTORS, lessor (address: c/o Shearson Equipment Management Corporation, Suite 1401, 521 Fifth Avenue, New York, N. Y. 10175) and NORTH AMERICAN CAR CORPORATION, lessee (address: 33 West Monroe, Chicago, Illinois 60603), dated as of December 17, 1981 (with a Schedule dated December 31, 1981, and as amended by a Lease Amendment dated as of January 15, 1982), and covering sixty-three (63) 4,750 cu. ft. covered hopper cars with 100-ton trucks.

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(2) Assignment between SHEARSON EQUIPMENT INVESTORS, assignor (address: c/o Shearson Equipment Management Corporation, Suite 1401, 521 Fifth Avenue, New York, N. Y. 10175) and CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, assignee (address: 231 South LaSalle Street, Chicago, Illinois 60693), dated as of December 31, 1981, and covering sixty-three (63) 4,750 cu. ft. covered hopper cars with 100-ton trucks, and connected to a lease being concurrently recorded.

(3) Mortgage between SHEARSON EQUIPMENT INVESTORS, mortgagor (address: c/o Shearson Equipment Management Corporation, Suite 1401, 521 Fifth Avenue, New York, N. Y. 10175) and CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, mortgagee (address: 231 South LaSalle Street, Chicago, Illinois 60693), dated as of December 31, 1981, and covering sixty-three (63) 4,750 cu. ft. covered hopper cars with 100-ton trucks.

Very truly yours,

SHEARSON EQUIPMENT INVESTORS

By SHEARSON EQUIPMENT MANAGEMENT
CORPORATION, its General Partner

By Alfred B. Brown
Title: Vice President

13643-A
RECORDATION NO. _____ FILED 1425
MAY 21 1982-9 05 AM

ASSIGNMENT OF LEASE AND AGREEMENT dated
as of December 31, 1981 ("Assignment"), by and
Between SHEARSON EQUIPMENT INVESTORS ("Owner"), and
CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST
COMPANY OF CHICAGO ("Assignee")

The Owner and the Assignee have entered into a Credit Agreement dated as of August 7, 1981 (herein, as it may be amended, modified or supplemented from time to time, called the "Credit Agreement") providing for loans not to exceed \$19,000,000 to the Owner, which loans are evidenced by the secured promissory note of the Owner dated August 7, 1981 (such secured promissory note, together with any note taken in renewal, replacement, substitution or extension thereof, being herein called the "Note").

The Owner and NORTH AMERICAN CAR CORPORATION ("Lessee") have entered into a Lease Agreement (including a Rider thereto) dated as of the date hereof ("Lease", which term as used herein also includes one or more Schedules identifying the equipment subject thereto and completing the terms thereof) providing for the leasing by the Owner to the Lessee of certain units of railroad equipment.

In order to provide security for the obligations of the Owner under the Credit Agreement, the Owner agrees to assign for security purposes its rights in, to and under the Lease.

NOW, THEREFORE, in consideration of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. The Owner hereby assigns, transfers and sets over unto the Assignee, as collateral security for the payment and performance of the Owner's obligations under the Note, the Credit Agreement and each other instrument (including this Assignment) now or hereafter executed by the Owner to the Assignee pursuant to the Credit Agreement, all the Owner's right, title and interest, and powers, including without limitation the right (effective whenever an Event of Default shall have occurred and be continuing under the Credit Agreement) to receive and collect all rentals, profits and other sums payable to or receivable by the Owner from the Lessee pursuant to the provisions of the Lease, whether as rent, casualty payment, liquidated damages, or otherwise, other than indemnities payable pursuant to Section 11 or 15 thereof and any proceeds of liability insurance maintained under Section 9 thereof (such moneys being hereinafter called "Payments"), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of any Event of Default specified in the Lease, and to do any and all other things whatsoever which the Owner is or may become entitled to do under the Lease. In furtherance of the foregoing assignment, the Owner hereby irrevocably

authorizes and empowers the assignee (effective whenever an Event of Default shall have occurred, and be continuing, under the Credit Agreement) in its own name, or in the name of its nominee, or in the name of the Owner or as its attorney, to ask, demand, sue for, collect and receive any and all such Payments to which the Owner is or may become entitled under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof.

The Assignee agrees to accept any Payments made by the Lessee and collected by the Assignee pursuant hereto for the account of the Owner pursuant to the Lease. To the extent received, the Assignee will apply such Payments to satisfy the obligations of the Owner under the Credit Agreement. If the Assignee shall not receive any rental payment under Section 3 of the Lease or any payment of Stipulated Loss Value under Section 8 of the Lease when due, the Assignee shall promptly notify the Owner and the Lessee in writing at their respective addresses set forth in the Lease. Failure so to notify the Owner and the Lessee shall not affect the rights and remedies of the Assignee hereunder or under the Credit Agreement.

2. This Assignment is executed only as security for the obligations of the Owner under the Credit Agreement and, therefore, the execution and delivery of this Assignment shall not subject the Assignee to, or transfer, or in any way affect or modify the liability of the Owner under the Lease, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of the Owner to the Lessee shall be and remain enforceable by the Lessee against, and only against, the Owner or persons other than the Assignee.

3. To protect the security afforded by this Assignment, the Owner agrees as follows:

(a) The Owner will faithfully abide by, perform and discharge each and every obligation which the Lease provides is to be performed by the Owner; without the written consent of the Assignee, the Owner will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder, of or from any obligation to be performed by the Lessee, including, without limitation, the obligation to make the payments in the manner and at the time and place specified therein or enter into any agreement so amending, modifying or terminating the Lease, and the Owner agrees that any such amendment, modification or termination thereof without such consent shall be void.

(b) Should the Owner fail to make any payment or to do any act which this Assignment requires the Owner

to make or do, then the Assignee, but without obligation so to do, after first making written demand upon the Owner and affording the Owner a reasonable period of time within which to make such payment or do such act, but without releasing the Owner from any obligation hereunder, may make or do the same in such manner and to such extent as the Assignee may deem necessary to protect the security provided hereby, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof and the rights or powers of the Assignee, and also the right to perform and discharge each and every obligation of the Owner contained in the Lease; and in exercising any such powers, the Assignee may pay necessary costs and expenses, employ counsel and incur and pay reasonable attorneys' fees, and the Owner will reimburse the Assignee for such costs, expenses and fees.

4. The Owner does hereby constitute the Assignee (effective whenever an Event of Default shall have occurred and be continuing under the Credit Agreement) the Owner's true and lawful attorney, irrevocably, with full power in the name of the Owner, or otherwise, to demand and receive any and all Payments due and to become due under or arising out of the Lease, to which the Owner is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which the Assignee may deem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all the Owner's obligations under the Credit Agreement, (i) this Assignment and all rights herein assigned to the Assignee shall terminate, and all estate, right, title and interest of the Assignee in and to the Lease shall revert to the Owner without further act or deed, but the Assignee shall execute and deliver such documents as the Owner may reasonably request in order to confirm, or make clear upon public records, such termination and reversion and (ii) any remaining balance held by the Assignee of Payments collected pursuant hereto shall be promptly paid to the Owner.

6. This Owner will, from time to time, do and perform any other act and will execute, acknowledge, and deliver any and all further instruments required by law or reasonably requested by the Assignee in order to confirm or further assure the interests of the Assignee hereunder.

7. The Assignee may assign all or any of the rights assigned to it hereby or arising under the Lease. In the event of any such assignment assignees shall, to the extent

of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder.

8. This Assignment shall be governed by and construed in accordance with the laws of the State of New York, but the parties hereto shall be entitled to all rights conferred by 49 U.S.C. Section 11303.

9. The Owner shall cause copies of all notices received in connection with the Lease to be promptly delivered or made to the Assignee at its address set forth in the Credit Agreement, or at such other address as the Assignee shall designate.

10. The Assignee hereby agrees with the Owner that, (a) so long as no Event of Default (or event which, with notice or lapse of time or both, could constitute such an Event of Default) under the Credit Agreement shall have occurred or be continuing, (i) the Assignee will not exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits assigned and transferred by the Owner to the Assignee by this Assignment, and (ii) the Owner shall have the right to receive and collect all rentals, profits and other sums payable to or receivable by the Owner from the Lessee pursuant to the Lease and to retain, use and enjoy the same, and that, (b) subject to the terms of the Lease and the Credit Agreement, the Owner may, whether or not an Event of Default under the Credit Agreement has occurred or is continuing, exercise or enforce or seek to exercise or enforce its individual rights, powers and privileges under Section 11 and 15 of the Lease; provided, however, that the Owner shall not, without the prior written consent of the Assignee, terminate the Lease or seek to exercise or enforce, any such rights, powers, privileges and remedies other than pursuant to paragraph (e) of the Section 16 of the Lease.

11. This Assignment may be executed in any number of counterparts, all of which together shall constitute a single instrument, but the counterpart delivered to the Assignee shall be deemed to be the original and all other counterparts shall be deemed to be duplicates thereof. It shall not be necessary that any counterpart be signed by both parties so long as each party shall sign at least one counterpart.

12. It is hereby understood and agreed that this Assignment is and shall be a "Collateral Agreement" as such term is defined in Section 8 of the Credit Agreement, anything therein to the contrary notwithstanding.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed in their respective names, by their respective duly authorized officers, all as of the date first above written.

SHEARSON EQUIPMENT INVESTORS

By SHEARSON EQUIPMENT MANAGEMENT
CORPORATION, its General Partner

By Alvin E. B. B. B.
Title: Vice President

[Corporate Seal]

Attest:

C. F. K. K.
Title: Asst. Secretary

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO

By Mel O. Mann
Title: Vice President

[Seal]

Attest:

Robert E. Kline
Title: SECOND VICE PRESIDENT

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this 6th day of January 1982, before me personally appeared Albert C. Borck II, to me personally known, who, being by me duly sworn, says that he is a Vice President of SHEARSON EQUIPMENT MANAGEMENT CORPORATION, the General Partner of SHEARSON EQUIPMENT INVESTORS, a New York limited partnership, that one of the seals affixed to the foregoing instrument is the seal of said corporation and that said instrument was signed and sealed on behalf of said corporation (acting on behalf of said partnership) by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Barbara McGill O'Grady
Notary Public

BARBARA MCGILL O'GRADY
Notary Public, State of New York
No. 52-4656496
Qualified in Suffolk County
Commission Expires March 30, 1983

[Notarial Seal]

My Commission expires March 30, 1983

STATE OF ILLINOIS)
) ss.:
COUNTY OF COOK)

On this 24 day of April 1982, before me personally appeared MEL A. MARINI, to me personally known, who, being by me duly sworn, says that he is a Vice President of CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, that one of the seals affixed to the foregoing instrument is the seal of said bank and that said instrument was signed and sealed on behalf of said bank by authority of its By-laws and he acknowledged that the execution of the foregoing instrument was the free act and deed of said bank.

Demetria Giannoulis
Notary Public

[Notarial Seal]

My Commission expires 1-14-84